1. You should prepare a budget so you know where every dollar you make goes.
2. The 4 steps to prepare your budget are Estimate your total expected income, decide how much of your income you want to save, estimate your expenses, balance your budget.
3. If you budget does not balance adjust you plan accordingly, make sure you do not spend more than you make.
4. If you have to reduce spending you should reduce variable spending first. Fixed spending is items like mortgage or car payments that must be paid at a certain time of the month and you are obligated to pay them.
5. In a keep safe place you should keep records of income and expenses, net worth statements, personal property inventory, and tax records.
6. It is important to have a personal property inventory in case of a fire theft or property damage. It shows the items you had in the condition they were in, in case something happened.
7. Express contracts are contracts that are stated in words and understood. They can be written or oral. Implied contracts are not stated directly but are known that they are there.
8. 3 contacts that must be in writing include credit plans, mortgage and rental agreements.
9. In order to be legally binding, a contact must include the elements of agreement, consideration, contractual capacity and legality.
10. 5 consumer responsibilities when entering into a contract are fill in the blank spaces, write all terms carefully, enter dates amounts and other numbers correctly and clearly, be sure you have received all relevant information, and understand all the terms in the agreement.
11. The most common negotiable instrument is a check.
12. A filing system keeps all your important info and documents organized and in one place. File tabs that should be used may include warranties, utilities, travel, taxes, subscriptions, medical, insurance, household, entertainment and automobile.